



THE ASSESSMENT OF REAL ESTATE: RECENT CHANGES IN THE PROVISIONS OF 43 STATES

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The Assessment of Real Estate:

Recent Changes in the Provisions of 43 States

M. SLADE KENDRICK

The period since the close of the Second World War has been characterized by numerous changes in the administration of the property tax, particularly in the important areas of the assessment of real estate and the equalization of the values so obtained. There have been similar changes in the past but never before, within an equal interval, have there been so many and of such magnitude.

ORIGIN OF CHANGES

As with other broad social or political movements, the causes of change are less evident than the resulting alterations in the administrative structure or performance. The one is ultimately a matter of what comes to be accepted by the mind, a shift in thought or in attitude. The other is a matter of legislation or of practice. Certain facts, however, that may have brought pressures for improvement, are evident. There has been an immense increase in state and local expenditures. As a consequence, property taxes, the chief local source, and for nearly all units the only flexible one, have mounted. Inequalities in assessment that had long been endured became intolerable. Underassessment was seen to confer an unwarranted bounty on some taxpayers and overassessment a comparable penalty on others. Also, the amounts involved were increasing, and had become significant for many taxpayers. Moreover, the revenue, in a time of growing expenditures and hence of need for larger public income, was recognized to be ill served. For more revenue can be obtained under an equitable, than under an inequitable, distribution of tax payments. When the states sought to relieve local units by giving them more aid, problems of inequalities between the assessment ratios of counties or other districts, and hence of equalization, arose.

Under the conditions of the postwar period, assessment and equalization problems inevitably rose to the level of public attention. The task

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of assessment had become notably more difficult. The values of real estate were being altered by a movement to the suburbs that affected the values of properties both in the city and in the developing adjacent areas. Rural residences, little islands of urban life occupied by city workers, were erected on many a country road, and the value of the interspersed farm land was affected by the new techniques of agricultural production, especially by mechanization.

Public improvements had been neglected during the preceding war and depression periods, a combined interval of fifteen years. At the close of the war there was an immense accumulation of needed school building, highway, and other public construction. A rapid population increase was underway, thereby adding to the demand for public improvements and services; and the economy was operating in high gear. The coming of the peace had been succeeded by prosperity. In these circumstances, a large increase in expenditures, accompanied by higher taxes on property that was more difficult to assess, was certain to materialize.

The effects of these developments on inequalities of assessment and indirectly on the equalization problem were, however, magnified by the accompaniment of inflation. The prices of farm lands, city residences, and factory or other business sites rose in general, though unevenly. Great increases appeared in the worth of properties especially favored by the economic changes. But at the other extreme, some properties gained little, or if made less desirable by the new influences, actually declined in value. The assessment of real property, however, as always in a situation of generally increasing prices, lagged behind the movement of market values. Thus the inequalities present at the beginning of the upsurge of real estate values were increased and the resulting tax differentials expanded in proportion.¹

In sum, it may be concluded that during the years immediately after the Second World War, the groundwork for widespread discontent with the administration of the property tax was laid. Moreover, the intellectual structure of facts supporting the case for reform, and the proposed remedies, had already been erected in studies extending back to the first of the century and earlier, but were concentrated in the 1920's. The relatively unfavorable status of agriculture in that period of high industrial prosperity led to a number of surveys, in which the assessed values of both rural and urban properties were compared with sales, estimated prices, or other indices of value. In general, wide and singularly varied

¹Dr. Frederick Stocker, Head of the Farm Taxation and Rural Government Section in the U.S.D.A., suggested some of the ideas in the above paragraphs.

differentials were disclosed, and therefrom were derived the inadequacies of the existing order of assessment, and inferences as to what should be done about them. Thus the changes that emerged in the second half of the 1940's and in the 1950's were not without the guidance of earlier observation and thought.

THE MEASURES ADOPTED

Just what has been done in the way of alterations in the administration of the property tax? To answer this question, the study reported here was made.² A letter of inquiry was addressed to the proper official in each state,³ asking for the fundamental changes initiated since 1945 in the assessment of real estate. It was thought better to rely on the interpretations of the persons most familiar with the problem than on statutes or other published material. Replies were received from 43 states. In addition to changes in the administration of assessment, some changes in the related process of equalization were also indicated.

THE WESTERN STATES

Pacific States

Washington. The county assessors, elected without education, examination, or experience requirements, continue as before to assess all taxable property, with the exception of intercounty public utilities. Such improvements as have been made in the administration of their task have taken the form of assistance by the state, or of injunctions or directions to the county assessors. Thus in 1952 the tax commission issued manuals on the appraisal of buildings and timber. And in 1955, following the disclosure by a comprehensive study of great inequalities in the ratio of assessed to sales value, the state legislature directed the county assessors to value all taxable property by June 1, 1958, and thereafter to maintain a program that would produce a revaluation of all taxable property within their respective counties at least once in every four years. The county assessors were given permission to employ private appraisal firms, though in an advisory capacity only.

The expert assistance of the tax commission was also made available upon request. The commission was further directed to prepare and

²The idea for the undertaking came from the late Dr. Cameron Garman who believed that information on what was being done to improve assessment elsewhere would be helpful to citizens seeking an improvement in the assessment of the property in their home community.

³New York was excluded because of the information locally available, and Ohio because of a visit to officials in the State Tax Department and the Board of Tax Appeals.

publish materials for the guidance of assessors, and to keep the legislature advised of the progress of revaluation in each county. Another law required that building permits be reported to assist the county assessors in locating new construction.

As of July 1958, two counties had employed private appraisal firms for the valuation of land and buildings, and a number had contracted with professional foresters for timber cruises based on aerial photographs. Although more progress had been made than in any other three-year period, the revaluation was not completed by the proposed date. The lack of tax maps and the shortage of trained personnel slowed the work.

Oregon. Large powers to improve the assessment and equalization of property were granted to the tax commission in 1929. But before these powers were exercised, the depression and its attendant difficulties for public bodies intervened; then came the personnel and material shortages of the Second World War period.

After the war, discontent with the administration of the property tax mounted. In response, the tax commission initiated a reappraisal program in 1951. It was believed that only through accurate, original valuations would the assessors have the necessary foundation for keeping their assessments up to date. The valuation division of the state tax commission contracts with counties for the reappraisal of property and the installation of the proper records; the expenses are shared between the counties and the state. When a reappraisal program is completed in a county, the county relations section of the valuation division takes over, and seeks, through contacts with the local assessor's office and sales-ratio studies, to maintain the improvement. The state tax commission, however, has the entire responsibility for maintaining the appraisals of timber. As in Washington, the problems of mapping and of obtaining qualified personnel have delayed progress.

California. Under legislation adopted in 1947, the state board of equalization has conducted and published studies of the local assessment practices and needs in *all* counties of the state.

A report on San Diego county, seen by the writer, included 67 large pages of text and 41 of appendix. Following a detailed examination of the taxable resources and the volume of assessment work, 22 recommendations, also in much detail, were made.

Since 1955, the board has operated an active program of equalization whereby stratified samples numbering thousands of properties have been taken and appraised for the determination of assessment ratios. In the first two years, orders were issued for the adjustment of ratios out of

line. Since that time the assessors have kept their appraised-assessed value ratios more nearly uniform, and no more orders have been issued.

Since 1951, the board, on contracts with the counties, has prepared tax maps. By July 1958, maps had been completed in 14 counties, and work was under way in five others. A few counties had assembled personnel to make their own maps.

An assessors' handbook, remarkable for its size and amount of information, has been prepared by the state board. This volume, composed of 8½x11 sheets gathered in loose-leaf form, is 9 inches thick. A staff of 18 appraisers and cost estimators keep the handbook up to date and also work with the county assessors.

In California, unlike Washington and Oregon, the emphasis is not on a reappraisal of all taxable property but on obtaining, on a regular basis, better local assessment and more accurate equalization. The three states, however, agree in making no changes in the office of assessor, and in depending for the desired results on the information, guidance, or other assistance of the central state organization. The equalization orders issued by the state board of equalization in California are about the only exception.

Mountain States

Idaho. In 1945, as the outcome of a referendum, a state tax commission was created. In 1947, the commission initiated a reappraisal program, and prepared a manual for the valuation of buildings. The reappraisal program was a cooperative enterprise with the local assessors and the county commissioners. By July 1958, the program was nearly completed.

The commission has from time to time conducted sales-ratio studies whereby it tested, in individual counties, the effects of the reappraisal.

Montana. In 1957, the board of county commissioners was directed by the legislature to classify all taxable lands and to appraise all taxable city and farm lots and improvements, in each of the several counties of the state. Classifications and appraisals made under the earlier legislation of 1955 were validated.

The state board of equalization was required to provide a general and uniform method of classification and appraisal.

Many counties are using professional appraisal firms to appraise rural and urban improvements, and some employ them to classify taxable lands.

Nevada. In 1947, the legislature set up a valuation division in the tax commission to work with the assessors. Except for 1951-1953 when the

division was abolished, it has served in that capacity. Among its accomplishments were an assessment manual and an appraisal system that has been endorsed by the assessors.

In 1957, the legislature tied the allocation of school aid money to the assessment ratio. Thus counties below the average received less, and those above more. Thereupon the commission hired a private appraisal firm to determine the ratios for one year. Since that time the commission has carried on the work.

Utah. A new building manual is being developed by the state tax commission. The commission has a force of 25 men to aid local units in making reappraisals. A qualified appraisal firm has been employed to revalue land in Salt Lake County.

Wyoming. In 1945, the board of equalization and the public service commission were given broad powers to specify the forms and other documents for assessment, to determine how lands should be classified, and to prescribe the system or systems for establishing a uniform valuation of taxable property.

Colorado. Beginning with 1947, a complete reappraisal program got under way. The final results were placed on the assessment rolls in the spring of 1952. Each assessor was provided with a real estate manual. He worked on the reappraisal under the supervision of the state tax commission.

New Mexico. In 1949, the state engaged the services of an appraisal engineering firm, which thereupon plotted and coded the entire state and established valuations. But the new valuations were never used and most counties went back to the old system of local assessments because the local units objected to the share of taxes that they would receive, and thus protested against the use of the new assessments.

Arizona. There have been no important changes in assessment since the close of the Second World War.

THE NORTH CENTRAL STATES

West North Central States

Minnesota. In 1947, legislation was passed establishing the offices of county supervisor of assessment and of county assessor. These officials are appointed by the county board, but subject to the approval of the commissioner of taxation. The county supervisor of assessment has a large number of duties, all designed to assist the locally elected assessors in the

performance of their duties. Every county that does not have a county assessor must have a county supervisor of assessment.

The county assessor has much more power over assessment than the county supervisor of assessment. He *makes* all assessments, based on the appraised values reported by the local assessors or by his assistants, or on his own knowledge of the property. He also personally "views" all property that is difficult for the local assessor to value.

Under a law passed in 1951, the distribution of school aid became based on the current property values. To implement this measure, an appropriation was made for a continuing sales-ratio survey by the department of taxation.

The tax commissioner has broad powers of supervision over local assessment, by reason of his approval of the original appointment of the assessing officials, and his power to raise or lower individual assessments. There is no formal examination for the positions of county assessor and supervisor of assessment. When a vacancy develops, the commissioner offers his services to the auditor and county board in assisting with the interviews of applicants. Usually the commissioner or his representative conducts the interview at a meeting of the county board. The commissioner may then express his personal opinion of the qualifications of the candidates, indicating his preference or perhaps ranking them.

The commissioner is also in a position to exert influence through instructional meetings, a revised assessment manual, and other aids to assessors, and assessment-ratio studies and the resulting equalization. In 1958, the commissioner, acting as the state board of equalization, changed aggregate assessments in 47 of the 87 counties of the state.

It is believed that much improvement has been made, though the sales-ratio studies show that great inequalities continue to exist in the assessment of property.

Iowa. In 1947, the office of county assessor was established. The county assessor and any full-time deputy assessors are selected by a combination of examination and appointment. The examination, offered to all qualified voters who have been residents of the county for one year, is held by the state tax commission. All persons who pass with a grade of 70 or more are certified to the auditor of the county as qualified. Thereupon the auditor calls a conference of the following persons: the mayors of all incorporated cities and towns in the county that are subject to county assessment, the members of the county board of education, and the members of the board of supervisors. This body then selects the county assessor or deputy assessor from the list of eligible persons.

The term of office of the county assessor is four years. At the end of that period, the conference either reappoints him, or another examination is held as the first step toward choosing a successor. A full-time deputy assessor, however, serves at the pleasure of the county conference.

Somewhat similar provision is made for the appointment of city assessors and deputy assessors. Selection by this method is mandatory for cities of more than 125,000 and optional for those of 10,000 to 125,000 population.

Cities and counties are permitted to employ appraisal firms to assist the assessor, and the tax commission recommends their use whenever gross inequalities are found between the assessment of individual properties.

The tax commission has large powers of supervision over local assessors, and may order the reassessment of all or any part of the property of a taxing district. The commission makes extensive sales-ratio studies, largely for the purpose of aiding the assessors.

South Dakota. In 1955, the legislature provided for the appointment of a county assessor or a county supervisor of assessments to be selected after a qualifying examination.

In 1957, this law was repealed and the office of county director of equalization was established. This official is appointed by the county commissioners. He is also the assessor, but is not required to satisfy any qualifications regarding education or experience.

Most men, however, who were chosen under the former law, have been reappointed under the latter. The qualifications, therefore, of the incumbents are higher than might be expected.

The commissioner of revenue by directives, manuals, and assessors' schools undertakes to instruct the county directors of equalization. Appraisal firms are seldom used. The average ratio of the assessed to the sales value has increased from 26 percent in 1945 to 47.6 percent in 1958. A steady improvement in assessment has been noted since the adoption of the legislation.

Missouri. The tax commission has centered its attention in recent years on the problem of obtaining a better equalization of assessments among the counties. The technique applied has been not to accept an assessment level below 30 percent. A substantial improvement in that particular area is reported.

The commission has prepared an assessors' manual. It requires assessors to make monthly reports of the sales of properties in their districts together with the assessed values. From these data, assessment-ratio studies are made.

Twenty-four counties have township organization. Two bills providing for the equalization of assessments among townships have been introduced in the legislature. Both were defeated.

Kansas. In 1949, the commission of revenue and taxation was directed by the legislature to conduct annual assessment-ratio studies.

In 1955, there were a number of legislative changes. Annual real estate assessments (instead of every four years) and the county unit of assessment (instead of the township) with broad powers of procedure were established. And counties were authorized, after an election, to adopt the "appointive assessor plan". As of July 1958, however, no county had chosen to have an appointed assessor.

In 1958, the legislature permitted counties, by resolution of the board of supervisors, to employ professional appraisal firms for the valuation of real or personal property.

East North Central States

Indiana. In 1949-50, there was a complete revaluation of real estate in Indiana. This assessment was made on the basis of a manual prepared by the state board of tax commissioners. The work was done, under the supervision of the commissioners, by elected county, township, and township trustee assessors. There was very little use of appraisal firms.

Illinois. In 1945, legislation was passed requiring the department of revenue to determine the average level of assessments in each county and to bring it up to full value by the application of an equalization factor, or "multiplier", as it is usually called in Illinois.

In 1949 the office of supervisor of assessments was established in each county. The department of revenue was required to pass on the qualifications of the candidates submitted by the county board, and then the board was to select a supervisor from those found to be qualified. But the law was declared unconstitutional in 1950. An important result, however, of other features of this legislation was that the department supplied aerial photographs and Sanborn maps to most counties and prepared a new real property assessment manual.

In 1953, counties with a population of less than 150,000 were permitted to have an appointed supervisor of assessments. In 1957, all counties except Cook and St. Clair were given this option.

All counties are required to prepare property record cards and to have tax maps. But as of August 1958, this provision had not generally been enforced. Several contracts have been made with private firms for the

preparation of property record cards. But one such contract was voided by the courts on the ground that the law does not permit counties to contract for services that should be performed by the assessor.

Michigan. In 1956, authority was given to county boards of supervisors to contract with professional appraisal firms for a revaluation of property. Another law passed in the same year gave boards of supervisors authority to set up technical staffs to assist local assessors, and also to serve the supervisors in their work of equalization. As of July 1958, fourteen of the 83 counties had established such agencies.

In 1955, following authorizing legislation and an appropriation, the state tax commission distributed an assessors' manual.

Wisconsin. Since 1945, under certain conditions, towns may appoint assessors; a new assessment manual has been developed with the building costs maintained on a current basis, and the supervisory staff of the property division of the state tax commission has been enlarged.

From 1949 to 1955 there were 226 revaluations of property in towns, villages, and cities. The average assessment after these revaluations was 100.7 percent of the estimated full value.

Ohio. By 1949, the state of Ohio was distributing more than \$300 million annually to local units, a sum about half of their aggregate expenditures. This money was allocated in part on the basis of assessed valuation. Inequalities among taxing districts, previously endured without undue complaint, became intolerable. As a result, the powers of the board of tax appeals were greatly increased in that year, and amendments to the same end were adopted in 1957.

The county auditor, chosen by election, remains the legal assessor in Ohio. All property is, in legal contemplation, assessed by him. Actually, he hires a professional appraisal firm approved by the board of tax appeals. The money for this purpose is provided by the county commissioners. But if the sum is insufficient, the auditor may appeal to the board, which, if convinced, certifies an increased allowance to the commissioners that must be paid by the county.

After the professional appraisal firm has reported the valuations of the parcels of property in the county to the auditor, he makes the changes he desires, and then turns the assessment roll over to the county board of review. The board then makes any adjustments or corrections believed to be needed. Next, an abstract of the property is submitted to the board of tax appeals. The board may order a percentage increase or decrease of the total or of any class of property, a change that must be accepted by

the auditor on the penalty of the state withholding 50 percent of its payments to the county. The board also has power to order, and to enforce by a denial of state aid, the reassessment of all or of any class of property.

Clearly the key element in the Ohio system is the large supervisory power conferred on the board of tax appeals. Acting through the division of county affairs, the board not only approves the employment of the appraisal firm, but it also prescribes the methods of valuation used and checks on the work done. It has even been known to hold up payment until satisfied with the quality of the performance. The chief means followed by the board in testing appraisals is the application of sales-ratio studies. Statistics of sales are regularly collected and applied against appraisals. The variations, particularly when those in different counties are compared, afford a basis for judging the quality of the appraisal. The board, however, has no power to alter an individual assessment, but must deal only in aggregates. Undoubtedly though, the scheme of supervision does have a favorable effect on the assessment of individual properties.

THE NORTHEAST STATES

New England States

Massachusetts. The so-called "State Assessment System" may be adopted by a city or a town. This can be described as a modern system of assessment in which tax maps, property cards, and an assessor's manual are used. Following the decision to adopt the system, the state tax commission examines the local assessing arrangements and makes recommendations. These are succeeded, after the installation of the system, by periodic examinations.

Since the Second World War, 60 cities and towns have had reappraisal programs. The work was done largely by private appraisal firms.

Connecticut. In the words of the official who reported on the situation, "I think we have 'traded up' the assessment function to a degree in this State since the end of World War II". Such a comment would suggest that only small improvements have been made and that nothing of a fundamental nature has been accomplished.

New Hampshire. Since 1949, the tax commission has made a complete revaluation of the property in 47 counties, or about five a year. A number of towns and cities have employed professional appraisal firms, and seven have had a revaluation of property. But it is doubtful whether the appraisals have been kept up to date.

Vermont. The quadrennial appraisal of real estate was abolished in 1957 and an annual appraisal substituted.

The post of director of local property taxes was created in the tax department in 1956. The director devotes full time to advising local assessors and tax collectors. As part of that work, he issues a monthly bulletin.

Maine. In 1946, the city of Bath employed a professional appraisal firm to make a complete revaluation of property for tax purposes. The local assessors have endeavored to keep these values up to date.

Since then, 50 municipalities, or 10 percent of the number in the state, have arranged for reappraisals. The problem has been to maintain the improvement through the succeeding assessment rolls.

Local units have manifested a growing appreciation of the value of professionally trained personnel in the offices of their assessors. Several municipalities have employed a professionally trained person on the board of assessors, or as the clerk.

Middle Atlantic States

New York. In 1949, almost immediately after its creation, the state board of equalization and assessment undertook a comprehensive survey of the value of the taxable real property in the state, making use of sales data and appraisals. The results, which emerged in 1955⁴ after several years' work, disclosed a much greater aggregate valuation than had hitherto been supposed and wide inequalities between both the assessment of individual properties and the assessment ratios of units of local government.

Such an outcome, appearing as it did in the midst of a period of increasing expenditures and rising tax rates, stimulated an interest in obtaining equitable assessment. The public response in many local units was to provide for a revaluation of the real estate, thereby increasing the aggregate amount on the tax roll, and at the same time reducing or eliminating inequalities between the assessment of individual properties. Much use was made of professional appraisal firms. But in some towns the local assessors did the work, and in at least one a real estate man was employed to help the assessors. In a few other towns, local committees assisted the assessors.

Not enough has been done to keep up to date the values obtained at such effort and cost. Perhaps the most promising development is the

⁴They were for 1954.

tendency of counties to employ a tax coordinator to assist the board of supervisors in making the equalization, and to work with the local assessors in an advisory and consulting capacity.

Some eight or ten counties now have such an official. The primary assessment, however, in rural areas is still done mainly by elected town assessors, three for each town, though since the mid 1930's it has been possible for the town board to appoint a single assessor. And for a similar period a county could have adopted, by a rather complicated referendum, an alternative form of government, including the appointment of a county assessor. Only one county, however, has taken advantage of this legislation. In cities the assessor is chosen in accordance with the provisions of the charter. Most of these require that the assessor or board of assessors be appointed.

Another revaluation of the board emerged in 1959, for the law provides that a revaluation must be made every five years. Thus, in addition to the periodic improvement of equalization, the prime purpose served, new information on assessed values will be developed at intervals, with a consequent stimulation both to the assessors and the general public.

The state board of equalization and assessment has been active during the ten years that it has been in existence. In 1957, the board issued a comprehensive assessment manual for the instruction of assessors, and by the end of 1959, it had practically completed a set of materials to be used in assessors training course.⁵

Pennsylvania. The 57 fourth- to eighth-class counties have had or are having a revaluation program. The installation of property record cards, and the mapping of all properties are a part of this undertaking, which is under the county commissioners. In most counties, private appraisal firms are employed. But there is no uniformity among the counties in the kind of property record card adopted, the replacement values, or even in the percentage of full value used for assessment purposes.

The importance of the locally elected assessor is declining. His only duty now is to report new properties to the chief assessor of the county, who then makes the assessments.

The state tax equalization board has no responsibility for assessments, but only for equalization.

New Jersey. In 1953, the local property tax bureau was established in the state division of taxation for the prime purpose of assisting assessors.

⁵Professor E. A. Lutz, Dept. of Agricultural Economics, N.Y. State College of Agriculture at Cornell University assisted in providing information on New York.

The bureau exercises no supervision but limits its activities to giving assistance. It has one field man to each county, and an appraisal staff which helps the assessors determine the value of large and complex properties.

Between 1950 and 1958, a total of 202 local units had undergone or were undergoing a revaluation of property. The property tax bureau emphasizes the desirability of employing professional appraisal firms for that work. In a letter written in 1958 to municipal governing bodies and assessors, the bureau said, "Authorities throughout the country are in agreement that a complete appraisal of all land and buildings at current market value by a competent firm experienced in mass appraisal programs for property tax purposes, is essential to establish a sound and uniform basis for equitable assessment."

THE SOUTHERN STATES

West South Central States

Arkansas. In 1949, a state tax commission was created and given power to make a sales-ratio study in any county. Upon the disclosure that the property was assessed inequitably between taxpayers or between counties, the commission could order the assessor to reassess the property at an average level of value as determined by the commission. This body was also given authority to review appeals from the local assessment and to act as the state board of equalization.

The changes proved to be unpopular. As a result, the tax commission was abolished in 1951, and the assessment of utility property was placed under the supervision of the tax division of the public service commission. Little supervision, however, was exercised over the elected county assessors.

In 1955, legislation was passed for the reappraisal of all property for tax purposes, and the assessment coordination division was created in the public service commission, and given the responsibility of working with the county assessors to bring about better assessment practices and thereby a greater degree of equality between taxpayers in the same county and between counties. The division was also required to make a sales-ratio study in each of the 75 counties.

In 1957, the assessment coordination division was made an independent agency, the assessment coordination department. This body prepares manuals and forms for assessment, and promulgates standards and procedures. The county assessors are required to use or follow such materials

or directions. The department also keeps a registered list of qualified appraisal firms. The assessor of any county contemplating a reappraisal may obtain a copy of this list. But if the work of reappraisal does not follow the manual prescribed by the assessment coordination department, it will not be approved.

The department is a supervisory agency with no statutory powers of enforcement. However, it is required to certify the average percentage of market value at which property in each county is assessed. If it is less than 20 percent, the state fiscal authorities hold back a proportionate amount of state aid.

Louisiana. A high tax official reports "tremendous studies" in correcting assessment procedures, but gives no details.

Oklahoma. In 1947, legislation was passed making mandatory the allowance of funds for the purchase of the materials and supplies needed by the county assessors.

In the same year, the assessors were required by the legislature to reappraise the property of their respective counties. That work, as of July 1958, had been completed in only about one-third of the counties because the governing boards had not made the necessary appropriations.

Professional appraisal firms are not hired in Oklahoma because the county assessor is said to have the duty of valuing the taxable property.

Texas. Some improvement in assessment procedures and equipment is reported, but no fundamental changes have been made.

South Atlantic States

Delaware. In 1950, the Delaware School Foundation employed a professional firm to reappraise all real estate in Newcastle County. The valuation figures obtained were applied to the taxable year 1954-55. In 1955-56 another professional firm appraised the properties in Wilmington. These valuations were placed on the county assessment roll in the same year. Since that time, the assessment manuals and property cards supplied by the two firms have been used as assessment guides.

The real estate in Sussex County was reappraised in 1946, but at present no manual of assessment is being used. Apparently, therefore, the valuations have not been kept up to date.

No information was obtained regarding any changes in Kent, the remaining county.

Maryland and Georgia. There have been no important changes in assessment administration since the close of the Second World War.

Virginia. In 1946, a schedule was set up whereby every county was required to have a reassessment of real estate within the next four years, and each eighth year thereafter. The interval for cities was increased from four to eight years. (Between 1930 and 1946 the making of a reassessment was optional for counties, but was mandatory every four years for cities.)

Another section of the same act made an appropriation of \$20,000 for the department of taxation to give advisory aid to any county or city making a reassessment. Earlier legislation had given the department the duty of rendering assistance upon request, but no money had been provided.

In 1948, the interval for a reassessment by cities was reduced from eight to four years, and by counties from eight to six years, with the provision that a reassessment might be made in any year.

Except in localities with a permanent assessor or board of assessors, the reassessment is conducted by citizen freeholders appointed by judicial authority.

The assistance available from the state tax department is given only on request. As of July 1958, 77 of the 98 counties and 24 of the 31 cities had requested and received help. The aggregate assessment in 24 counties was increased 28 percent. Many gains in equality were also reported.

North Carolina. The chief change has been in the use of private appraisal firms, which were almost unknown in the state before 1945. More than one-third of the counties have employed such firms. Some of their work is reported to be good, and some of indifferent quality. Reliance on private enterprises for this work is, however, reported to be increasing, though some counties are undertaking the development of more adequate appraisal staffs of their own.

South Carolina. Within the last few years, a few counties have taken measures to use tax maps and a card system.

Two or three of the larger counties are trying to equalize valuations of real estate.

Florida. Within recent years a number of counties have had a revaluation of real property, most of which has been done by private appraisal firms.

East South Central States

Tennessee. In 1951, a property assessment consultant was established in the municipal technical advisory service of the University of Tennessee.

In 1958, the office of executive secretary of the state board of equalization was created.

One county and a few cities have completed revaluation programs. The work was done by professional appraisal firms.

Alabama. The department of revenue is embarking on an expanded equalization program through its legal authority to set aside and to equalize county assessments. No significant changes have been made in the underlying legislation.

There has been no use of private appraisal firms.

Mississippi. The only change has been to raise the salaries of the assessors. The results are reported to be "better men and better assessments".

AN EVALUATION OF THE MEASURES

For an accurate appraisal of the changes that have been made in the assessment of real property since the close of the Second World War, the quality of the assessment before their introduction should be compared with that afterward, as adjusted for the increased difficulty of assessment. But no such comparable statistics exist. We shall therefore have to be content with noting the directions that the alterations have taken, and with deriving such inferences as we can respecting their effect.

The problem faced by any state or local unit seeking to improve assessment is, however, not one of determining the number of comparable public bodies making any given alteration, but rather of evaluating it. For that reason the information on practice is indicated by individual states, and no tabulations have been made, although certain geographic concentrations are to be noted. The states along the Pacific Coast and in the North Central region have been much more active in rearranging their assessment systems than have those in New England and the South. Moreover, some individual states, notably California, Minnesota, Iowa, and Ohio, have made far-reaching changes.

The question of determining what scheme of assessment administration is best may be approached through a consideration of the actual changes that have been made.

State Revaluation

Only New Mexico has made a state revaluation. That, as has been observed, was by a private appraisal firm and met with such protests that the new valuations were never used. Regardless of any improvement that

adoption of this remedy would work in the assessment of real property, and also almost certainly in the equalization of values, it is not a practicable solution. The reason is simple. The feeling in this country for local self government is strong. The assessment of real estate is an important local function that affects many persons in each county, city, township, village or other local unit, in a direct financial way. An increase in the assessed value of his property is seen by the owner to result in an increase in taxes, a decrease in a reduction. And the fact that equal percentage changes for all properties would leave the taxes of the owners undisturbed has no influence on the attitude of most persons.

State Supervision or Assistance

State tax commissions or other agencies charged with duties relating to local assessment are rarely given powers of direction allied with those of compulsion. The general rule, and indeed overwhelmingly so, is that the commission may order, enjoin, or suggest, but not enforce. Consequently, the distinction between these activities and those of giving assistance to the local assessor is blurred. No attempt is made here to effect a separation.

Revaluation by local assessors. Where, as in Washington, Idaho, and Colorado, a state-wide reappraisal program is undertaken by the local assessors with the supervision or assistance of the state tax commission, the results depend primarily on the amount, quality, and acceptance of that outside assistance. Irrespective of the cause or causes, the local assessors have evidently been doing their work poorly or there would be no need for a reappraisal. Except as the guidance of the state agency improves their accomplishment, it cannot be expected to be better than in the past. Granted, however, that the local assessors cooperate, the program will be initiated at approximately the same time in all counties, and presumably progress will be made in each.

Where, as in Oregon, the revaluation is made piecemeal by contracts with individual counties, the state agency has much more opportunity to influence the results. The work is done on an intensive basis, and consequently the participation of the agency is greater.

On the other hand, progress is made only by degrees. And the rate of accomplishment depends both on the amount that the state puts into the program and on the willingness of the counties to make contracts.

Under either arrangement, once the revaluation is completed, the problem arises of keeping the improved assessments up to date, that is, in correspondence with changes in the market valuation of the real

estate in the local unit. Revaluation at best only corrects a bad assessment. The need for a continuing readjustment to the realities of the market remains.

Revaluation by private appraisal firms employed locally. Practice in Ohio affords the best example of state supervision combined with the local employment of private appraisal firms. The state clearly has superior facilities for knowing the qualifications of the appraisal firms. And it is, moreover, in a much better position to check their performance than are the local units. The division of county affairs, through the application of the results of sales-ratio studies, can compare the appraised with the sale values in the different counties, and thus come to conclusions regarding the quality of the revaluations.

If the county auditor, who is legally the assessor, does not change the revaluations, they represent the judgment of experts, trained and experienced in appraising real property. Further, the amounts recorded are objective. Neither the appraisers nor the firm for which they work have any interest in favoring one taxpayer over another.

Local assessment. Under this arrangement, the conditions of local assessment remain the same. The assessor is chosen as formerly and continues to assess the property. The only change is an increased degree of supervision or assistance by the state agency. The practice in California best exemplifies this solution. The extensive appraisals made by the state board of equalization not only provide a good basis for equalization but also disclose the merits or the inadequacies of the local assessment. The comprehensive, published studies of the individual counties inform both the local assessor, and the general public of conditions in the assessment office, and of what measures, in the judgment of experts, should be taken. Thus positive results are largely dependent on the response of the assessor as stimulated by an informed public opinion.

In California, the emphasis is on improving the regular or ordinary assessment rather than on a revaluation of the real estate. Assuming the continuance of assistance by the state board of equalization and no decline in the quality of the local assessors, the assessment should become better in the future.

Independent Action by Local Units

Local units can improve the quality of their assessment by choosing a better assessor (assuming that they make the selection) and by supplying adequate funds for tax maps, property cards, or other aids to assessment.

Although this opportunity has always been available, it has rarely been realized. The assessment function continues to be poorly administered.

The proposal that improvements be effected within the existing arrangements is hardly a practicable one.

In many states, however, local units have the legal right to employ a private appraisal firm for annual or periodic revaluations of real estate. Among the states in which this power is granted are Washington, Montana, Michigan, Ohio, Massachusetts, New Hampshire, Vermont, New York, New Jersey, Delaware, North Carolina, Florida, and Tennessee.

The great advantage of a private appraisal to the citizens of a county, city, or other local unit who desire an improvement in assessment, is that they can go ahead with the program and obtain a better assessment without waiting for general state legislation. Such legislation is usually difficult to obtain and likely to be long delayed. Indeed, before 1945 very few fundamental measures had been taken. Another advantage, and that of a broad social kind, follows. Once a few units have contracted for expert objective appraisals of the real property within their borders, the possibility of good assessment is demonstrated by the achievement. Thus an increased general interest in improving assessment may emerge, with the outcome that other units contract for a reappraisal, or state legislation is passed.

The chief disadvantage of local independence in the matter of arranging for a reappraisal is that the local authorities have no good basis either for distinguishing between the qualifications of the firms or for checking the validity of the results. Another, and a lesser disadvantage follows from the nature of the contract. The firm undertakes, in exchange for the payment of a sum that is sizable for the citizens of a local unit, to appraise the property, and perhaps also to prepare tax maps and property cards. Assuming that the work is good, a marked improvement in the equity of the assessment will result. But what happens then? The pressures created by the numerous inequalities will have vanished and, for the time being, there is nothing more to be done. Yet some readjustments should be made the very next year, for values are continually changing, and still more in the year after and in succeeding years. A real hazard of a reappraisal arranged by a local unit on its own is that the new valuation may not be kept up to date. Values are not static; assessment, therefore, should not be.

State Measures to Improve Local Assessment

Under this solution the emphasis is on measures designed to assure a better selection of assessors. The general rule of election on the basis of citizenship qualifications, and the occasional practice of political appoint-

ment are both abandoned for methods based more closely on the knowledge required to assess property.

Only three states have moved in that direction since the close of the Second World War. And in one, South Dakota, the provision for the appointment of a county assessor following a qualifying examination was repealed within two years. The new law continues to make the office appointive, but without any qualifications regarding education or experience.

The remaining two states in which direct measures have been taken to improve the caliber of the local assessor are Iowa and Minnesota. In both, the central tax agency must certify to the qualifications of the candidates. In Iowa the qualifications are determined by an examination, and in Minnesota by the approval of the appointment. The appointment in Iowa is by a conference of mayors, county school board members, and county commissioners. This is an attempt to have the most important public interests in the county represented. The appointment in Minnesota is by the members of the county board. The essence of both solutions is the combination of qualifications for the local official and his selection by appointment. The qualifications are approved by the state agency and the other and intangible and perhaps unmeasurable personal qualities are passed on by representatives of the county. Thus both state and local interests are represented in the final choice.

The Iowa program, however, is much more advanced than that of Minnesota. In Iowa, the county assessor or his deputies actually assess the property. The county assessor in Minnesota, though given broad powers, works with locally elected assessors. His superior qualifications therefore are not given so wide a scope for action as in Iowa.

Both states, in addition to the measures taken for better qualified assessors, have gone on to provide a larger measure of supervision.

Most important in the exercise of that power is the fact that the central tax agency approves the appointment of the county assessors. A qualified assessor hears and speaks the same professional language as the supervising official. He understands what the official tells him, and he knows what the central agency is trying to accomplish. He is also aware of his own problems and can report them accurately to the experts in the state tax department.

But, not satisfied with the two measures of an improved method of selecting assessors and state supervision, Iowa has also authorized the employment of private appraisal firms, particularly recommending their use where gross inequalities are found to exist between the assessment of individual properties.

We have now examined the following solutions of the problem of obtaining a better assessment of real estate: (1) State revaluation of real property; (2) State supervision or assistance in: (a) a revaluation by local assessors, or (b) a revaluation by private appraisal firms employed locally, or (c) the regular local assessment; (3) Independent action by local units to improve assessment; and (4) State measures to improve local assessment. The question therefore arises: Which method is to be preferred? This inquiry is given point by the widespread and deep stirrings of public interest in assessment.

State revaluation, whether by employees of the central tax agency or by a private appraisal firm, may quickly be dismissed. Not only was the popular reaction adverse in the state in which this remedy was tried, but the very fact that the experience has been limited to one state suggests that it is not generally acceptable.

Independent action by local units to improve assessment is at the other extreme from state revaluation. In the absence of any general program by the state, this course is to be recommended, particularly if it takes the only practicable form, namely, the hiring of a private appraisal firm to make a revaluation of the property. It has been indicated that there are problems in making satisfactory arrangements, but, assuming the existence of marked inequalities of assessment and ordinary care in the selection of the appraisal firm, the gains will amply justify the cost of the revaluation. And the very fact that, under the assumption of no action by the state this is the only practical method of improving assessment open to the local unit, argues strongly for its adoption.

The remaining methods, in the application that has been made, include state supervision or assistance. And clearly they should. A state government is able to set up desirable positions in this area of administration and to offer good salaries. Thus it can employ experts in the revaluation of all kinds of real property and make their services available to units of local government. An enterprising state agency, by virtue of the fact that it is such, becomes acquainted with assessment conditions in all parts of the state. Therefore it is better able to evaluate what is being done in any given local unit, and, by comparison with accomplishments elsewhere, to suggest realistic measures for improvement. A state agency is also in a position to conduct extensive appraisal or sales-ratio studies, and thereby to obtain objective proof of the quality of the assessment in all local units. Not only are such measures of prime importance in locating good and bad assessment, and therefore in directing attention to places where remedies are needed, but they are also basic to equalization.

Since both reason and practice support the case for state supervision or aid, the real question, for purposes of improving the assessment of real estate, is the combination in which the assistance of the state agency should be used. And here there is no difficulty in indicating within that association the limitations of revaluation by the local assessors and of the regular local assessment. Doubtless, a revaluation should be undertaken whenever substantial inequalities exist throughout a state. That may well be the only method of obtaining equality. The local assessment would also benefit from state help, particularly if the assistance were as comprehensive and intelligent as that provided by the board of equalization in California.

The limitation of both approaches is that nothing is thereby done to improve the quality of the local assessor. Yet he is the official who places the valuation on the property. However much he is assisted, his is the final judgment. Another limitation, and that attaching only to the revaluation, is the emphasis placed on it rather than on continuing assessment. The work of assessment is never done, even after revaluation. It should always be in progress.

This brings us to the final choice: The central state agency may assist local units in the employment and supervision of private appraisal firms, as in Ohio. Or, that agency may play a key role in the selection of a qualified assessor, whose work it then supervises (the practice in Iowa and Minnesota). Which plan is to be preferred?

The great merit of the Ohio plan is that it insures expert objective assessment, except as the local assessor or review board may alter the appraisals of the professional firm. But that advantage can be obtained only through a by-passing of the administrative functions of the elected county auditor. This means that the function of assessment, always regarded as public in kind, has been surrendered to a private firm.

The merits of certification of the candidates for the office of county assessor by the central tax agency, with the final choice made by the local officials, are not so clearcut as are those of the Ohio plan. For they depend both on the quality of the certification, and on the acceptance by the people of expert objective assessment. If the certification is slipshod, and there is popular objection to accuracy in assessment, the results cannot be good. Much depends on the standards of the central agency and on whether the people understand and accept the reasons for improving assessment. And here it should be noted that the limitation of candidates to residents of the county, as in the Iowa law, is ill advised. Not all counties may have applicants among their residents so well qualified as might be found among persons from the outside.

But let us suppose that, in response to a popular desire for good assessment and a willingness to accept the conditions and consequences, the state sets up a nonpolitical central agency for the administration of all state functions relating to assessment. Let us also suppose that this agency is staffed by top experts, is entrusted with the assessment of all railroad and public utility property, is given broad powers of study, supervision, and aid of local assessment, and is supplied with abundant resources. Let us suppose further that the unit of assessment is the county,⁶ that the salary, retirement allowance, and other perquisites of the county assessor are attractive, that within the scale of positions created there are opportunities for advancement, that procedures are devised to afford the assessor full protection from arbitrary dismissal, and finally, that tax maps, property cards, and other materials needed for assessment, together with the necessary help, are supplied for his work.

Given such an arrangement, the central agency could select from all applicants, irrespective of residence, persons qualified for the post of county assessor. From that list, the county board, composed of the supervisors or perhaps more broadly representative, could make the final choice.

Were these measures taken—and all are necessary for the results sought—the assessment should from the very first be as good as that by a private appraisal firm. Afterward, it should be better. It is impossible, in the course of one revaluation, no matter how well made, to learn all that can be known about the valuation of the real estate in a county. The qualified assessor is a continuing student of real estate values, and his assessments are always in the process of being checked against the market facts, as revealed by sales, rentals, incomes, prices, or industry trends. As his knowledge increases, he becomes a better assessor. And if good performance in his present practice insures that his salary will be increased, and also that he will be considered if there is an opening in a better position, he has every incentive to give the best that is in him to his work.

In time, an important consequence of the new arrangement would develop. With the position of assessor placed on an attractive professional basis, young persons interested in becoming assessors would obtain the training necessary to qualify. The level of the candidates applying for vacant positions would rise. The persons chosen later would be superior to those selected at the beginning of the program.

⁶This unit might include cities, or the cities, particularly those of considerable or large population, might have their own assessors under the same arrangements.

If adopted, the measures outlined above would constitute a break with practice everywhere, and a sharp break in most states. It should be recognized that their application would cost much more than is now being expended for these purposes. But the property tax has been administered cheaply too long, and the results have corresponded. Public money is never better used than in the assessment and the collection of taxes, and the great need in the administration of the property tax is for better assessment. Not only do expenditures for this function put into the treasury much more than they take out, but they also make for the equal treatment of taxpayers.

Appendix I

An indication of the great need for better assessment is to be found in the data presented in table 1. The low ratio of assessed to sales value, manifest in every state, is to be noted. More important, because signifying inequalities, are the differences between kinds of properties. But only *state* averages are included. Undoubtedly the differences between the assessment of the individual properties are much greater than those between the averages shown.

These data are not inconsistent with the reports of improvement in the provisions for assessment. Indeed, had no reforms been made, the situation might well have been worse.

Table 1. Ratio of Assessed Value to Sales Price for Real Estate for Six Months of 1956 (simple average)

| State | Nonfarm residential properties (ratio) | Farm properties (ratio) | Commercial properties (ratio) |
|--------------------------------|--|-------------------------------|-------------------------------------|
| Alabama | 20.6 | 16.5 | 17.6 |
| Arizona | 20.6 | 7.5 | 12.0 |
| Arkansas | 11.2 | 7.5 | 11.7 |
| California | 19.8 | 12.7 | 18.4 |
| Colorado | 28.2 | 19.6 | 26.2 |
| Connecticut | 44.3 | 33.0 | 52.8 |
| Delaware | 52.4 | 23.8 | — |
| District of Columbia | 48.3 | — | 54.4 |
| Florida | 40.6 | 11.0 | 31.8 |
| Georgia | 25.0 | 14.0 | 21.7 |
| Idaho | 11.3 | 9.5 | — |
| Illinois | 40.9 | 42.2 | 44.5 |
| Indiana | 23.3 | 18.4 | 21.6 |
| Iowa | 23.1 | 27.5 | 18.0 |
| Kansas | 19.6 | 27.6 | 22.8 |
| Kentucky | 28.9 | 28.6 | 32.6 |
| Louisiana | 22.1 | 8.7 | 22.2 |
| Maine | 34.3 | 31.7 | 33.5 |
| Maryland | 54.9 | 32.0 | 44.9 |
| Massachusetts | 42.2 | 25.4 | 55.9 |
| Michigan | 30.6 | 19.7 | 33.7 |
| Minnesota | 10.6 | 15.3 | 16.6 |
| Mississippi | 18.1 | 14.7 | 16.3 |
| Missouri | 27.6 | 25.9 | 30.4 |
| Montana | 9.5 | 6.9 | — |
| Nebraska | 29.3 | 29.1 | 29.4 |
| Nevada | 23.5 | 17.7 | 27.0 |
| New Hampshire | 40.8 | 34.8 | 37.0 |
| New Jersey | 25.4 | 12.3 | 40.3 |
| New Mexico | 21.5 | 11.9 | — |
| New York | 47.2 | 34.9 | 78.7 |
| North Carolina | 35.7 | 25.6 | — |

Table 1 continued on page 29.

Table 1.—(Continued)

| State | Nonfarm residential properties (ratio) | Farm properties (ratio) | Commercial properties (ratio) |
|--------------------------|--|-------------------------------|-------------------------------------|
| North Dakota | 13.2 | 16.6 | — |
| Ohio | 36.8 | 24.6 | 43.0 |
| Oklahoma | 20.9 | 15.3 | 25.6 |
| Oregon | 19.8 | 15.1 | 19.6 |
| Pennsylvania | 32.9 | 18.8 | 39.5 |
| Rhode Island | 60.7 | 49.1 | 73.8 |
| South Carolina | 6.1 | 8.4 | — |
| South Dakota | 38.0 | 44.9 | 42.9 |
| Tennessee | 31.2 | 22.0 | 26.6 |
| Texas | 18.3 | 9.1 | 17.6 |
| Utah | 15.6 | 11.4 | — |
| Vermont | 29.4 | 29.5 | — |
| Virginia | 32.5 | 14.2 | 28.8 |
| Washington | 15.4 | 12.9 | 20.8 |
| West Virginia | 27.1 | 26.7 | 44.2 |
| Wisconsin | 45.1 | 43.5 | 53.4 |
| Wyoming | 20.9 | 19.5 | — |

Source: *Assessed Values and Sales Prices of Transferred Real Property, 1957 Census of Governments Advance Releases, May 5, 1958.*

Appendix II

The Tendency to Make the Practice of Assessment a Profession¹

In 1946, a total of 43 states held annual assessors' meetings.² The chief purpose of these meetings was to instruct assessors in their duties and the statutory requirements. In about 18 states, short courses and institutes were arranged at one time or another.³ But, as of the present, there has been a considerable increase in such activities. Training programs have been held at one time or another in practically all the states, and in 38 regular in-service training is given.

The number of in-service programs held on the campuses of universities has increased rapidly. Connecticut (advanced course), and Oklahoma (1945); Maryland, and Kentucky (1946); Georgia, Indiana, Iowa, and Nevada (specialized program 1948); and Louisiana, Florida, and Utah (1949) started this kind of training on university campuses. Since 1950, district and regional schools have been popular. The state tax commission of Oregon has organized an effective and successful district training program.

Kentucky's venture, following an appropriation and authority given to the commissioner to organize a staff to assist local assessors in making original assessments, was another successful program. The selected staff were put through an intensive training course before entering upon their actual work. The newly elected assessors were given training in assessment appraisal, theory, and practice. Some were even sent for several weeks to midwestern states to get first-hand experience in the operation of a modern assessor's office. The personnel attending a real estate appraisal program sponsored by an organization of real estate appraisers were given a two-week training course conducted by a nationally known appraisal firm.

The tendency toward regional organization continued, for small group training was thought to be more effective. It encourages active participation and permits a more flexible program geared to individual needs. In 1952, Nebraska, followed by Iowa, held schools primarily devoted to rural assessment problems. This was the first year that South Dakota held an assessors' school in a university. The seminar offered in Chicago was another new development in 1952. The project was jointly sponsored by the National Association of Assessing Officers and the American Institute of Real Estate Appraisers. This marked the first time that a private appraisal firm and a body of assessors combined on the national level to benefit from the professional experts of both groups.

The manifestations of progress toward developing the profession of assessment took definite form in 1953. Some important actions were taken by the National Association of Assessing Officers. A committee on assessment standards and ethics was established, and also one on in-service training. The committee on ethics was formed to draft a code of ethics for assessors—such a code was already adopted in two states and was being drafted in others. Another important action was the

¹Taken with some paraphrasing from *A Survey of Progress in Administrative Organization and Procedure in the Assessment of Property in the United States After the Second World War*, a thesis (M.S.) presented in 1959 to the faculty of the Graduate School of Cornell University, by Ashenaf Shifferaw.

²National Association of Assessing Officers, *In-service Training for Assessors*. Report of the Committee on In-service Training. Chicago: 1946, p. 6 & 7.

³Ibid. p. 6.

approval of a plan for conferring the designation of "Certified Assessment Evaluator" (C.A.E.) on members who met prescribed qualifications. A special in-service training program, somewhat like that of Kentucky where the trainees spend two weeks in a modern assessment office, was started by the National Association of Assessing Officers. Special distinguishing awards were created to arouse the members' interest in their work. These were the achievement and distinguished assistance awards, and the essay awards given annually for the best essay on assessment practice.

The following year Pennsylvania, New Jersey, and Texas adopted a code of ethics. Pennsylvania was the first to adopt the official code of ethics of the National Association of Assessing Officers. Twenty-two members were granted the C.A.E. designation and a number of awards were given to selected members. Another seminar on the appraisal of residential real estate was held for two weeks by the National Association of Assessing Officers in cooperation with the society of residential appraisers. Ten attended the sessions. In-service training was held in nearly every state. Active sponsors in about 19 states included universities and colleges, and state agencies and associations. Connecticut, Florida, Georgia, Kentucky, Massachusetts, Maryland, Maine, Michigan, Oregon, Oklahoma, Wisconsin, and Texas had cooperative sponsors of this type.

In 1956, the trend toward professionalization continued, and regional conferences on the national level gained support. Three successful regional conferences were held by the N.A.A.O. in cooperation with the American Institute of Real Estate Appraisers. The number of persons taking in-service training in each state increased. In some states, annual meetings were substituted for assessors' schools. The quality of these schools also improved as all desired approval by the N.A.A.O.⁴ In 1957, progress was made on every front. In Oregon, following the legislative action of 1955, the civil service commission designated 146 persons as certified appraisers. Utah passed a law requiring the state tax commission to prepare and conduct an annual school for assessors.

Another prize, the Zangerle Award, was added, given annually to the state or province that produced the best assessor's periodical or news letter. And by 1958, the number of members of the National Association of Assessing Officers with the Certified Assessment Evaluator designation was 86.

The schools and conferences, the stimulation and interest of the assessors, and the quality and effectiveness of the in-service programs all show continued growth. The trend is unquestionably toward a professional career service for assessment personnel.

⁴In 1955, four local schools in Connecticut, Texas, Maryland, and Maine were approved by the Committee on In-service Training.

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